

Canstar Resources, Adventus Zinc and Altius Minerals Announce the Consolidation of Newfoundland Zinc Exploration Projects, Focused on the Buchans Camp

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TORONTO, Feb. 21, 2018 - [Canstar Resources Ltd.](#) ("Canstar") (TSX-V:ROX), [Adventus Zinc Corp.](#) ("Adventus") (TSX-V:ADZN) and [Altius Minerals Limited](#) ("Altius") (TSX:ALS) are pleased to announce that they have entered into a three-way definitive agreement (the "Transaction") dated February 20, 2018 whereby Canstar will acquire the Newfoundland base metal exploration assets of Adventus and the Daniel's Harbour Zinc Project from Altius in exchange for: (i) the issuance of common shares of Canstar to Adventus and Altius; and (ii) a funding commitment from Altius of \$500,000 as part of a \$750,000 private placement (as further described below). The Transaction will allow Canstar to consolidate the majority of the Buchans Camp and adds three high quality Newfoundland zinc exploration projects to Canstar's portfolio. Upon closing of the Transaction (the "Closing"), Canstar's Newfoundland exploration team will initiate a comprehensive 2018 exploration program focused on the Buchans Camp, with a minimum 3,000 m of diamond drilling campaign anticipated in 2018 to be completed in phases (with full details of this program to follow from Canstar upon Closing).

Following the Closing, Canstar will focus its attention on polymetallic exploration in Newfoundland, in particular the Buchans Camp, where it will own the majority of the district's mineral rights. The Buchans Mine was one of the highest-grade polymetallic mines globally, producing a historical 16.2 million tonnes averaging approximately 14.50% Zn, 7.56% Pb, 1.33% Cu, 126 g/t Ag and 1.37 g/t Au over its 56-year mine life (Kirkham, 1986). The southeast corner of the region also hosted [Teck Resources Ltd.](#)'s Duck Pond Mine, which operated between 2007 and 2015 with an initial reserve of 4.08 million tonnes averaging approximately 3.3% Cu, 5.7% Zn, 59 g/t Ag and 0.86 g/t Au (Guy Belleau & Petr Pelz, 2005). The Duck Pond 1,800 tpd flotation mill is currently on care and maintenance.

Highlights of Canstar Assets

- The Mary March Project, located 20 km east of Buchans and next to a provincial highway, which is a joint venture between Canstar (56%) and Glencore (44%). Canstar has first right-of-refusal to acquire the remaining interest from Glencore; and
- In 1999 and 2000, previous owners Phelps Dodge intersected 10.33% Zn, 118.1g/t Ag, 1.62% Pb, 4.1 g/t Au, 0.66% Cu over 9.23 m; 16.8% Zn, 660 g/t Ag, 12.2 g/t Au, 5.44% Pb, 0.18% Cu over 0.91 m; and 3.02% Zn, 1.08% Pb, 72.4 g/t Ag, 0.13% Cu over 20.6 m. These remain the best drill holes in the Buchans camp, outside of the historic Buchans mine.

Highlights of Adventus's Newfoundland Assets

- Adventus is vending its 100% interest in its approximately 39,000 hectare land package located in the Buchans camp, which represents the largest land position in the camp;
- A heliborne time domain electro-magnetic (TDEM) survey flown in 2017 over the entire Buchans land package resulting in the identification of approximately 35 drill-ready targets, with some of the most exciting targets contiguous to Canstar's Mary March and Nancy April projects; and
- Adventus is also vending its 100% ownership interest in the Katie and La Poile base metal projects, both having prospective volcanic massive sulphide targets supported by historic trenching and drilling results.

Highlights of Altius's Involvement and the Daniel's Harbour Zinc Project

- Altius is vending its 100% owned Daniel's Harbour Zinc Project, approximately 9,000 hectares of prospective lands surrounding the former high-grade zinc mine operated by [Teck Resources Ltd.](#) from 1975 to 1990. During this period, Teck reported production of approximately 7 million tonnes at an average grade of 7.8% zinc (Wardle, 2008);
- Altius and Canstar will enter into a 12-month technical services agreement with Altius to carry out the 2018 exploration program for the consolidated Newfoundland projects subject to TSX Venture Exchange ("TSX-V") approval; and
- Canstar will complete a \$750,000 non-brokered private placement the proceeds of which will be applied to a first phase Newfoundland exploration program, G&A, corporate activities as well as working capital. The financing will consist of the sale of 4,166,667 common shares issued at \$0.06 per share on a hard dollar basis for gross proceeds of \$250,000, and 6,250,000 common shares issued on a flow-through basis at \$0.08 per share for gross proceeds of \$500,000. Altius is subscribing for the flow-through shares for a total investment of \$500,000 and will have pro-rata equity participation rights going forward. Altius will also receive a right of first refusal on any future royalty and/or streaming financing related the Mary March property.

Dr. David Palmer, Director of Canstar, commented, "We are pleased to enter into this transaction with Adventus and Altius. Canstar has long been a champion of the Mary March Project and the consolidation of these Buchans properties into a district-scale exploration project is a great opportunity for all Shareholders. We are pleased that Adventus and Altius share our enthusiasm for its potential and with the combined technical experience of all three companies and a new management team we will be able to advance exploration programs very effectively. We look forward to completing this transaction and commencing exploration.

Christian Kargl-Simard, President and CEO of Adventus, commented, "Adventus is excited to become involved in such a prospective suite of exploration assets in one of the best jurisdictions globally to operate. This Transaction provides synergies for all three parties, and a focused vehicle to unlock the value in the Buchans Camp and Newfoundland and Labrador. We believe the timing is right to commit modern exploration in this storied Canadian base metals camp. With the local infrastructure and high grades, new discoveries will create very significant value for all shareholders."

Transaction Summary

Under the Transaction, Canstar will issue 86.7 million shares to Adventus for its portfolio of assets and Altius will receive 12.1 million shares for its Daniel's Harbour Zinc Project. Upon Closing, including completion of the private placement, the current shareholders of Canstar will own approximately 49% of the consolidated company, while Adventus and Altius will own approximately 40% and 9%, respectively, and other investors in the private placement will own 2%. Following completion of the Transaction, Canstar will use commercially reasonable efforts to complete a minimum two million dollar flow-through private placement financing.

Upon completion of the Transaction, the Board of Directors of Canstar (the "Board") will initially be comprised of four members, with three members appointed by Canstar and one member appointed by Adventus (and Adventus retaining the right to appoint a second member at a later date). The Board will initially consist of David Palmer, Dennis Peterson and Patrick Reid, existing directors of Canstar, and Sam Leung, the Vice President of Corporate Development for Adventus. Mr. Jack Hurley, an existing director of Canstar is thanked for his years of service and will continue as CFO. Dennis Peterson is acting as Chairman and interim CEO, while a CEO search is underway. A technical steering committee of Qualified Persons as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects, consisting of Dr. David Palmer, Jason Dunning and Dr. Lawrence Winter will assist with the direction of Canstar's exploration programs.

The Transaction will be subject to TSX-V approval for both Canstar and Adventus. Canstar is arm's length to both Adventus and Altius. Adventus and Altius are "non-arm's length parties" as Altius is an "insider" of Adventus as such term is defined under securities laws. Canstar will require shareholder approval pursuant to the policies of the TSX Venture Exchange as Adventus will become a "control person" of Canstar on closing and the Transaction is viewed as a "reverse take-over". Canstar will apply to the TSX-V for a waiver from the requirement to engage a sponsor with respect to the Transaction; however, there is no assurance that a waiver will be granted. Canstar intends to include any additional information regarding sponsorship in a subsequent press release. The Transaction is also subject to satisfaction of certain other closing conditions customary in transactions of this nature. Directors and

officers of Canstar, representing 6.3% of the Canstar common shares, have entered into voting support agreements with Adventus and Altius, pursuant to which they will vote their common shares in favour of the Transaction. It is also anticipated, assuming the Transaction is approved that Canstar will complete a 5 for 1 share consolidation and all shares will be issued on a post-consolidated basis. As a result, upon completion of the Transaction, there will be issued and outstanding approximately 212,025,189 shares on a pre-consolidation basis and 42,405,038 shares on a post-consolidation basis. The effective price of the private placement will be \$0.30 per hard dollar common share and \$0.40 per flow-through common share.

Full details of the Transaction will be included in the management information circular of Canstar to be mailed to their shareholders and posted on www.sedar.com. It is anticipated that the meeting of Canstar shareholders and the closing will take place by May 2018.

Lawrence Winter, Ph.D., P.Geo., Vice President of Exploration for Altius, a Qualified Person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects, is responsible for the scientific and technical data presented herein and has reviewed, prepared and approved this release.

About Canstar

Canstar Resources is a Canadian mineral exploration and development company. Canstar's objective is to discover and develop economic mineral deposits primarily in North America. Currently, Canstar's focus is on its mineral exploration properties in Newfoundland.

About Adventus

Adventus is a well-financed and unique company focused on zinc-related exploration and project development globally. Its strategic shareholders include [Altius Minerals Corp.](#), Greenstone Resources LP, and Resource Capital Funds; as well as other highly respected investors in the mining business. Adventus owns large prospective land packages in both Ireland and Newfoundland and Labrador, Canada, and is earning a 75% ownership interest in the Curipamba copper-gold-zinc project in Ecuador. In addition, Adventus has a country-wide generative exploration alliance with its partners in Ecuador. Adventus is based in Toronto, Canada, and is listed on the TSX-V under the symbol ADZN.

About Altius

Altius's directly and indirectly held diversified royalties and streams generate revenue from 15 operating mines. These are located in Canada and Brazil and produce copper, zinc, nickel, cobalt, iron ore, potash and thermal (electrical) and metallurgical coal. The portfolio also includes numerous pre-development stage royalties covering a wide spectrum of mineral commodities and jurisdictions. It also holds a large portfolio of exploration stage projects which it has generated for deal making with industry partners that results in newly created royalties and equity and minority interests. The Altius exploration team was recently awarded the 2017 Prospector/Explorer Award from the Newfoundland Branch of the CIMM for its recent work on project generation.

Completion of the transaction is subject to a number of conditions, including but not limited to, TSX-V acceptance and shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Canstar should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

Forward-looking Statement

This press release contains "forward-looking information" within the meaning of applicable Canadian securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "believes", "anticipates", "expects", "is expected", "scheduled", "estimates",

“pending”;, “intends”;, “plans”;, “forecasts”;, “targets”;, or “hopes”;, or variations of such words and phrases or statements that certain actions, events or results “may”;, “could”;, “would”;, “will”;, “should”;, “might”;, “will be taken”;, or “occur”; and similar expressions) are not statements of historical fact and may be forward-looking statements. Forward-looking information in this news release includes, but is not limited to, the closing of the Transaction, anticipated drilling at Buchans Camp, satisfaction of closing conditions, approval of the TSX-V, approval by the shareholders of Canstar and the potential for exploration.

Forward-looking information herein includes, but is not limited to, statements that address activities, events or developments that Canstar, Adventus and Altius expect or anticipate will or may occur in the future. Although Canstar, Adventus and Altius has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Canstar, Adventus and Altius do not undertake to update any forward-looking information except in accordance with applicable securities laws.

All monetary figures referenced in this press release are in Canadian dollars unless otherwise stated.

For further information from Canstar, please contact: Karen Willoughby, Director Corporate Communications, at 1-866-936-6766 or kwilloughby@canstarresources.com.

For further information from Adventus, please contact Christian Kargl-Simard, Chief Executive Officer, at 1-416-230-3440 or christian@adventuszinc.com.

For further information from Altius, please contact Chad Wells cwells@altiusminerals.com or Flora Wood at 1-877-576-2209.

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